



DEPARTMENT OF
UTILITIES

Department of Utilities
Water Treatment Facility
2281 Manitowoc Rd.
Menasha, WI 54952
p: 920-997-4200
f: 920-997-3240

www.appleton.org/government/utilities

MEMORANDUM

Date: April 30, 2024
To: Chairperson Vered Meltzer
CC: John Pogrnt, Water Operations Supervisor
Kelli Rindt, Enterprise Accounting Fund Manager
From: Chris Stempa, Director of Utilities
Subject: **Utilities Committee Action: Sole Source Engineering Services Contract to McMahon as part of Appleton Water Treatment Facility Carbon Dioxide System Rehabilitation Project in the amount of \$27,000 with a 10% contingency of \$2,700 for a total not to exceed \$29,700**

BACKGROUND:

The Appleton Water Treatment Facility (AWTF) utilizes a TOMCO2 liquid carbon dioxide (CO₂) system for pH adjustment and fire suppression of the Powdered Activated Carbon (PAC) system. The existing liquid CO₂ system was commissioned as part of the original AWTF construction in 2001. In 2023, McMahon Associates, Inc (McMahon) was under an independent contract to conduct a condition assessment of the existing carbon dioxide storage and feed system at the AWTF. As part of that assessment, the following improvements were identified within the report:

- Various instrumentation and piping repairs, recommended by TOMCO2.
- Refrigeration upgrades.
- Restore function to existing load cells, or replace, if needed.
- Electrical and control remediation based on mechanical upgrades.

The Opinion of Probable Construction Cost for these improvements was projected to range from \$300,000 to \$350,000. The 2023 Utilities Department Capital Improvements Program (CIP) plan identified \$450,000 for engineering services and construction associated with CO₂ bulk storage system improvements.

PROPOSAL

McMahon was asked to provide a proposal for engineering design, bidding, and construction services for the modifications recommended in the conditions assessment report. The proposed lump sum cost for these services totaled \$27,000 which is within the CIP budget for engineering (\$50,000). The McMahon proposal detailed each aspect of the rehabilitation project and the associated services required to provide the necessary deliverables.

JUSTIFICATION

Engineering fees integrated as a function of total construction can be 15% or more depending on the complexity of the scope of work involved. The proposed fee of \$27,000 represents 6% of the overall CIP budget for CO2 system rehabilitation. McMahon is very experienced with the AWTF CO2 system having completed a campus wide chemical systems evaluation conditions assessment in 2017. That work established the foundation for subsequent bulk storage and/or feed system construction project upgrades that McMahon led on dry polymer, ferric sulfate, aluminum chlorohydrate, and the new phosphoric acid delivery system. McMahon's experience with the previously mentioned chemical system upgrade, including the most recent CO2 system conditions assessment, provides them with a foundational understanding of the treatment plant operations and needs. That experience has translated into highly responsive and cost-effective services. Their proposal reflects the value the city would be receiving.

RECOMMENDATION:

I am recommending the approval of a sole source engineering services contract to McMahon as part of Appleton Water Treatment Facility Carbon Dioxide System Rehabilitation Project in the amount of \$27,000 with a 10% contingency of \$2,700 for a total not to exceed \$29,700.

If you have any questions regarding this project, please contact Chris Stempa at 920-832-5945.

Encl: Finance Department Sole Source Request Form



SOLE SOURCE REQUEST

The undersigned certifies that the commodity/service shown below qualifies as a sole source request and meets one or more of the following requirements. The department has demonstrated, and the Purchasing Manager concurs that only one source exists, the price is equitable, and/or noncompetitive negotiation is in the best interests of the City.

- Unique, proprietary, or one-of-a-kind:** Specific commodity/service is required and available from only one source, giving the City a superior and necessary benefit that cannot be obtained from other sources.
- Inadequate competition:** Purchasing solicitation (bid, proposal, or quote) did not result in any qualified vendor responses and competition is determined to be inadequate.
- Health or Safety Concern:** When a health or safety concern exists that is *not* an immediate threat but needs to be addressed in a period that does not allow for formal competitive procurement procedures.
- Continuity of design:** Consistency with current commodity or service.
- Emergency procurement:** A risk of human suffering or substantial damage to real or personal property exists requiring immediate attention.
- Cooperative purchase:** Purchase from another governmental unit contract or state approved purchasing association.
- Other:** Description provided below

McMahon's familiarity and experience with the Appleton Water Treatment Facility dates back to 2017. They continually provide cost-effective services and are highly responsive. These improvements were identified in a report provided by McMahon in 2023 and their proposed fee is 6% of the overall CIP budget for CO2 rehabilitation.

PROPOSED DETAILS
Requesting dept: Utilities
Product/service: Engineering services - Carbon Dioxide System Rehabilitation Project
Vendor name: McMahon
Total cost: \$27,000 with 10% contingency of \$2,700 - project total not to exceed \$29,700

Justification and price quotation provided by the department, for the items to be considered and approved as a sole source purchase attached for review.

Jenifer Huss
Purchasing Manager

04/30/2024
Date